

The Gary Newspaper Guild/CWA Local 34014 and the Chicago Newspaper Guild/CWA Local 34071, in order to increase bargaining power on behalf of their current and future members, hereby enter into this Merger Agreement.

Term of Agreement. This Merger Agreement shall be effective on the first day of the month following its ratification by the memberships of each of the Gary and Chicago locals and the CWA Executive Board. It shall remain in effect until 30 days following the ratification of a successor collective bargaining agreement between the Guild and the Post-Tribune. This time frame shall be referred to as the “initial merger period.” During the initial merger period, either party – the Gary or Chicago locals – may nullify this Merger Agreement upon a vote of their respective memberships and 60 days notice. At the end of this initial merger period, the merger shall be permanent.

Bylaws. Except as specifically provided in this Merger Agreement, the Chicago Newspaper Guild’s bylaws shall govern the operation of the merged local. The Gary local shall be a unit of TNG-CWA Local 34071 and thereby entitled to all of the services provided to the units of Local 34071. Consistent with those bylaws, the Gary unit will have two representatives on Local 34071’s Executive Board.

Operational Issues. (a) When the merger becomes effective, current Gary local officers shall become unit officers of the merged local, with subsequent unit officer elections following the procedures set forth in the bylaws. Also consistent with those bylaws, the Gary unit of the merged local may continue to determine how many and what officers and committees it needs to carry out representational activities.

(b) It is the intention of both parties to this merger to encourage and support a continuation of the Gary unit’s culture of independence and autonomy with respect to day-to-day operations on behalf of its members, just as the Chicago local has historically encouraged and supported such independence and autonomy in its other units. Gary unit officers shall continue to have consultation access to TNG-CWA staff representatives who will coordinate such assistance with the Executive Director of the merged local.

(c) At the time of merger, the Gary local had membership in Indiana state and regional labor federations. On behalf of the Gary unit, the merged local shall maintain these memberships.

Finances. (a) The Gary local shall be solely responsible for all financial liabilities incurred prior to the effective date of the merger. Once the merger becomes effective, the Chicago local – merged local – shall be the recipient of all dues collected from Gary unit members and shall have the administrative responsibility of processing such dues in accordance with the procedures of TNG-CWA and the local. Financial liabilities incurred after the merger on behalf of the Gary unit shall be the responsibility of the Chicago local just as it has always had with respect to all of the other units in the local.

(b) The Chicago local shall arrange and pay for a terminal audit of the Gary local’s assets to determine the net value, i.e., pre-merger assets minus pre-merger liabilities. Once such

audit has been certified, the Gary local's net pre-merger assets shall be divided into two separate accounts, Fund A and Fund B, to be controlled and used in the following manner:

FUND A. This fund shall contain an initial principle equal to __% of the Gary local's pre-merger assets. The money shall be placed in a separate and dedicated account maintained by the merged local and used only for the purposes described in this paragraph. Those purposes include the following: (i) creation and funding of an annual college scholarship to be determined by the Gary unit which shall also administer the project with assistance from the merged local; (ii) payment of expenses in connection with labor education and training for Gary unit officers and activists that go beyond the normal and routine education and training expenditures of the Chicago local; (iii) other job-related training expenses for Gary unit members not paid for by the employer, provided such expenditures are recommended by Gary Unit officers, approved by the merged local's Executive Board and consistent with applicable law. All interest earned on this Fund A shall accrue to this dedicated account. In the event either party – the Gary or Chicago local – nullifies this Merger Agreement in accordance with the second paragraph above, all money in the Fund A account at the time of nullification shall revert back to the Gary local.

FUND B. This fund shall contain an initial principle equal to __% of the Gary local's pre-merger assets. The money shall be placed in a separate and dedicated account maintained by the merged local. All interest earned on this Fund B shall accrue to this dedicated account. During the initial merger period described in the second paragraph of this Merger Agreement, this Fund B shall be held in escrow. In the event either party – the Gary or Chicago local – nullifies this Merger Agreement in accordance with the second paragraph above, all money in the Fund B account at the time of nullification shall revert back to the Gary local. Should the merger become permanent as defined in the second paragraph above, all money in Fund B at the conclusion of the initial merger period shall revert to the general treasury of the merged local.

Notwithstanding any other provision of this Merger Agreement, in the event of unforeseen circumstances, money from Fund A and Fund B described above may be used for other expenditures in the merged local if authorized by majority vote of the Gary unit membership and the Executive Board of the merged local.

(c) At the time of merger, the Chicago local's dues rate was 1.8% of regular wages while the Gary local's rate was 1.5%. In consideration for the above agreement to have Fund B revert to the merged local upon the merger becoming permanent, the dues for Gary unit members shall remain at 1.5% during the initial merger period and for __ years thereafter, at which time Gary members' dues rate shall be in accordance with the merged local's bylaws.